TELLOF Poproved For Release 2006/01/03 : CIA-RDP82-0045 (1004) (1004) CLASSIFICATION SECTION CONTROL/U.S. OFFICIALS ONLY CENTRAL INTELLIGENCE AGENCY REPORT NO. INFORMATION REPORT CD NO. COUNTRY Germany (Russian Zone) 29 May 1950 DATE DISTR. Production of the VVP "Kautas" Rubber Plant, Riesa NO. OF PAGES 25X1 PLACE NO. OF ENCLS. RN TO CIA LIBRARY **ACQUIRED** 25X1 DATE OF SUPPLEMENT TO INFO. REPORT NO.

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The rubber plant in Riesa (N 52/E 81), as stated on 8 April 1949, is a subsidiary plant of the VVB Kautas (Leipzig (N 52/E 21)) and was built from the former Vulcanization Flant in Riesa in 1945.

Management : Eichstaedt and Weinhold.

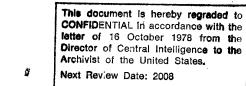
Office workers : 50.

Hired labor: 480 men.

- 2. Fifty percent of the finished products, mainly automobile tires and tubes, is delivered to the SMA.
- 3. The produced automobile tires and tubes have the following measurements:

5.00	X.	16,	5.50	x	17,
5,25	Х	16,	6.00	X	17,
亨 。5 0	X	16,	6, 50	X	17,
6,00	х	16,	7.00	X	17,
6.50	Х	16,	7.50	X	20,
7.00			3.75	X.	20,
4.75	Х	17,	12,75	X	20%
5.00	X	17,			

4. Survey on current production in 1948 and in January 1949.



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	nleces:	Value in Di::
a Automobile tires 1948:	17,755	3,454,000
January 1949:	2620	833,900
b Automobile tubes 1948:	S ,91 7	96,000
January 1949:	900	16,700
c Bicycle tires 1943 :	1,013	5,600
January 1949:	229	1,300
d Bicycle tubes 1943 :	5,195	15,600
January 1949:	2,612	7,300
e V-belts 1948	5,382	29,400
January 1949:	1,040	6,000
The 1948 turnover was :		
Tires and tubes		3,104,600
Repairs (vulcanization)		477,000
Miscellaneous rubber items		183,200
Hain products	•	3,764,300
Reduction of proceeds		17,300
	•	3,747,500
Secondary products		29,900

6. The 1947 and 1943 losses, caused mainly by large-scale expansion work and installation of new machinery to increase the production of certain articles, were as follows:

1947: RE 844,900

Hiscellaneous

5.

1948:/574,000 (up to 31 July 1948)

DM 366,900 (since 1 August 1948)

57,900

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1949 planning figures (Two -Year Plan)

		pieces :	sales price:
a	Automobile tires	30,000	8,351,350
ъ	Automobile tubes	30,000	756,440
c	Bicycle tires	5,000	22,400
đ	Bicycle tubes	50,000	150,000
e	V-belts	20,000	50,000
			9,478,190

These planning figures fully utilize the present plant capacity. A further production increase is reached by the already started gradual mechanization of operation stages, so far made by hand. The schedule, therefore, is said to be increased by about 15,000 automobile tires for the second, third, and fourth quarter of 1949.

Production in the first half-year of 1943 was worth 1,049,200 DM and in the second half-year of 1943 3,105,100 DM, thus totaling 4,154,300 DM in 1943. However, the 1949 schedule amounts to 9,478,190 DM and therefore provides for an increase of 123 percent (5,322,900 DM) compared to the 1943 production figure.

The 1949 January quota is fulfilled about 25 percent above schedule.

The Economic Officer of the SMA Land Saxony, for the Riesa Rubber Plant is Col Rogov.

In January 1949 the following was stated: F-4 9.

Work force :

production : Daily

220 pieces

Monthly production: 6,600 pieces

Annual production: 80,000 pieces

Annual capacity:

120,000 pieces

This plant as well as the Heidenau (N 51/F 38) Rubber Flant is short of cord weavings. Formerly 14 layers of cord were worked into one passenger car tire. It now has been reduced to six or seven layers. Therefore the wearing resistance is very slight. The tires break after short 1 000 kilometers tires break after about 1,000 kilometers.

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11. Fifty percent of the production is delivered to the Occupation Power, mainly to the Kirchmoser (N 53/F 38) Plant near Brandenburg on the Havel River.

12. The tire sizes are the same as those produced in the Heidenau Plant: The following sizes are produced:

450 x 16

550 x 17

600 x 20 (?)

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13.

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Twenty-five hundred tires in sizes ranging from 10.00 x 20 to 12.00 x 24 are delivered monthly by the Riesa Rubber Plant to Soviet units and agencies. (Work force : 400 workmen).

14. In January 1949 it was stated that :

On 24 January 1949 all responsible employees of the Nationalized Riesa Rubber Plant were arrested because of alleged blackmarket dealings. Only the former owner (later plant manager) 25X1 allegedly succeeded in escaping to the US Zone of Germany with hisppapers shortly before his arrest. He intended to go to his home, Vienna.

a. The following employees of the rubber plant were put in prison pending further investigation:

- (1) hief clerk
- (2) , chief foreman
- (3) plant advisor.

(4) Some leading SED members of the municipality are said to be compromised as they used their supervisory function to gain personal profits.

15. Since these arrests the production management is transferred to Engineer Ressler who came from Hannover (L 53/X 32) Continental Plant.

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16. Soviet economic officers were once more assigned to the Riesa Rubber Plant. The Soviet suprvising unit has the ______ It consists of 4 economic officers and 42 kM, billeted in two neighboring houses.

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Comment :

a. Lighty-five percent of the entire German rubber production capacity was centered in Western Germany at the end of the war. Practically 100 percent of the tire industry is in the Western Zones and Berlin. The Soviet dismantlings in the Soviet Zone of Germany rubber industry reduced still more the Soviet Zone rubber production share.

b. As the zonal separation prevented normal economic cooperation, the Soviets were compelled to rebuild their Soviet Zone rubber industry and to adjust its capacity to the Soviet Zone requirements. The tire industry had to be rebuilt almost completely. The costs for the reconstruction of the Riesa Plant can be seen from the indication of the para (6). According to other reports two rolling mills, one Bunbury giant rolling mill, one mangle, automatic drums, automatic heaters for profile stamping, Buna boilers and one transformer for 60,000 volt will be established in the plant in 1949/1950.

c. The plant was the Dorfer Rubber Plant before its expropriation. It is now a zonal plant and assigned to the Kautas VVB (Z) with the Plant No. 57/383/0101. Information on this plant was given in a previous report. Detailed information on the 1949 planning in the entire rubber industry including tire production was also furnished in previous reports.